

**USAID/Madagascar**

**Operational Plan**

**FY 2006**

June 2, 2006

## **Please Note:**

The attached RESULTS INFORMATION is from the FY 2006 Operational Plan and was assembled and analyzed by the country or USAID operating unit identified on the cover page.

The Operational Plan is a "pre-decisional" USAID document and does not reflect results stemming from formal USAID review(s) of this document.

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**Program Performance Summary FY 2005:** Under the leadership of President Marc Ravalomanana, the Government of Madagascar (GOM) continued ambitious efforts to address the country's immense development challenges. Stricken with widespread poverty, capacity deficits and corruption, Madagascar has an average per capita income of only \$255; 46% of the population is illiterate; 70% of the population lives below the poverty line; 49% of children under age five are malnourished; infant, child and maternal mortality rates are unacceptably high and life expectancy hovers at 55 years. This dire social situation springs mainly from the combination of low economic growth-itself due in large part to Madagascar's 20-year, failed attempt at socialism-and a high population growth rate of 2.8%.

One of the world's top three "biodiversity hotspots", Madagascar's unique natural resources are threatened by poverty, unproductive agricultural methods, and weak governance. National development priorities established under the country's Poverty Reduction Strategic Plan (PRSP) emphasize 1) strengthening the rule of law and good governance, 2) accelerating broad-based economic growth, and 3) promoting humanitarian development and social protection. To promote good governance, the Government of Madagascar (GOM) has established an Anti-Corruption Commission within the Office of the Presidency (CSLCC), as well as an independent, anti-corruption agency, BIANCO (both of which are supported under the USAID-managed Presidential Anti-Corruption Initiative). To promote economic growth, the GOM has introduced public finance and customs sector reforms; is working to reduce the illicit trade of precious and semi-precious gemstones, and is strengthening partnerships with the private sector. Recognizing the importance of its unique biodiversity to the long-term economic health of Madagascar and the welfare of its people, the GOM has pledged to increase protected forest areas from 1.7 million to 6 million hectares by 2008. In the social sector, the GOM is committed to preventing the spread of HIV/AIDS; fighting malaria; strengthening health care at the community level; and increasing access to and the quality of primary education through its "Education for All" program.

In conformance with Agency White Paper Transformational Development objectives, USAID/Madagascar advances Malagasy social and economic development through building human and institutional capacity across sectors. Mission Democracy and Governance interventions strengthen the capacity of Madagascar's democratic institutions and civil society organizations (CSOs); increase the flow of information and government accountability and responsiveness to citizen needs. Health, population and nutrition programs work to increase the use and quality of health services and products throughout Madagascar, promote maternal and childhood health and nutrition, reduce infectious and non-infectious diseases (including malaria and HIV/AIDS), and strengthen institutional capacity to implement and evaluate health programs. Integrated environment and rural development activities help conserve Madagascar's biological diversity by linking livelihoods with deforestation efforts and building GOM forest management capacity. Agriculture and trade program interventions reinforce Mission conservation and rural development efforts through increased market development and trade in forest based and other natural products.

**Challenges:** Although the GOM continues to enjoy public support for the 2002 reform agenda initiated by President Marc Ravalomanana, Madagascar faces a number of significant challenges: that a weak and poorly equipped bureaucracy will fail deliver promised results; that ambitious social programs will outstrip government revenues; that the public will grow impatient with the pace of reform under the weight of grinding poverty and rising food prices; that vested interests will retard the reform agenda; that foreign investment will fail to materialize at the rate necessary to meet economic growth targets; or that natural disasters -- the country is vulnerable to annual cyclones -- will undermine GOM progress. In the near-term, Presidential elections scheduled for 2007 are the most pressing social and political concern and potential cause for backsliding. The 2001 presidential elections were marred by widespread allegations of fraud and resulted in a six-month political and economic crisis culminating in the opposition candidate's victory. National divisions over the election closely followed ethnic lines, and social tensions inflamed by the 2001 election persist throughout the country today. Coupled with increasing poverty, reduced public subsidies, and increasing competition for farmland and other natural resources, the 2007 election could be a flashpoint for the eruption of latent social tensions across Madagascar.

**U.S. Interests and Goals:** The United States and Madagascar enjoy close relations, and Madagascar is an ally in the global fight against terrorism. The top three U.S. foreign policy objectives with respect to

Madagascar, as articulated in the Mission Performance Plan are: promotion of democracy; broad-based economic development, including health; and environmental protection. U.S. development assistance is motivated by Madagascar's unique biodiversity, its growing importance as a bilateral commercial partner under the African Growth and Opportunity Act (AGOA), and its deep poverty, which is exacerbated by natural disasters, food insecurity and weak social services. Complementary interests include the nascent HIV/AIDS epidemic, the country's democratic transition, and combating Trafficking in Persons. USAID works closely with the Department of State in Madagascar across all programs. The U.S. Peace Corps (health and environment/rural development), U.S. Geological Survey (environment, rural development), U.S. Forest Service (environment and rural development), U.S. Department of Defense (HIV/AIDS), and the Center for Disease Control (polio, HIV/AIDS, cholera and diarrheal diseases), are all working with USAID in the achievement of U.S. development objectives.

#### Key Achievements:

**Democracy and Governance:** USAID continued its multi-sector approach to civil society development, government transparency promotion and supporting Madagascar's fight against public corruption. Targets and baseline data for the program were established at the beginning of the fiscal year. During FY 2005, USAID awarded capacity building grants to 23 CSOs for training in advocacy, gender, and organizational development. At the national level, USAID worked closely with the United Nations and German development partners to establish Madagascar's first national CSO Platform which assembled 220 individual organizations under a common CSO charter. Through funding awarded under the Africa Anti-Corruption Initiative, USAID funded sector specific anti-corruption assessments in the areas of tourism, industry and crafts. The Anti-Corruption High Council (CSLCC) used the data to develop and launch the GOM's second national anti-corruption strategy for the 2005 - 2007 period. The Mission also trained 52 Malagasy judges with the necessary skills and tools for processing anti-corruption cases.

**Health, Population and Nutrition:** The Mission health program completed transition from start-up to full implementation mode and is on track. Strategic Objective performance data demonstrate that vaccination efforts in USAID target zones are succeeding with 91% of children age 12-23 months old completely vaccinated, compared to the national average rate of 53%. Approximately 3.5 million children between the ages of 6-59 months received Vitamin A, for a coverage rate of 97%. Rapid Assessment Procedure (RAP) survey data also demonstrate improvements in family planning, with 33% of mothers with infants practicing natural family planning (the "Lactational Amenorrhea Method" or "LAM"), up from 2% in 1999, and 22% of women using modern contraceptives as compared to the national contraceptive prevalence rate of 18%. During the fiscal year, USAID sold 1,383,363 cycles of oral contraceptives and 544,401 doses of injectable contraceptives an increase of over 11% and 21% respectively from the previous fiscal year. The Health, Population and Nutrition program achieved most of the output targets with just a couple of minor exceptions that were beyond the control of USAID. As a result of strong program performance, Madagascar was selected as one of two Africa region USAID "focus countries" for Family Planning and was awarded an additional \$350,000 in population funding.

**Environment and Rural Development:** USAID continued its leadership role under the GOM's third-phase National Environmental Action Plan (GOM/NEAP), and made significant progress toward achieving strategic objective results. At the national level, the Mission facilitated GOM creation of the Madagascar Protected Areas System (SAPM) which will increase protected areas from 1.7 million hectares to 6 million hectares by the end of 2008. The FY 2005 target of 1 million hectares will be exceeded this year with the creation of 14 new protected areas totaling over 1 million hectares. USAID livelihood promotion efforts in this sector - a key element in the reduction of slash and burn agriculture - were also successful. As a result of USAID intervention, over 30,000 households are producing litchis for commercial export, and over 15,000 households have adopted new agricultural techniques using a farming systems approach, which has resulted in a 55% increase in income. USAID support for the development and marketing of environmentally-friendly natural products also exceeded fiscal year targets, resulting in 30 new contracts for purchase and export of jatropha (a promising bio-diesel fuel), potato, litchi, ginger, red rice, paddy rice, and maize, totaling over \$1.5 million.

Agriculture and Trade: USAID agriculture and trade interventions exceeded targets for the fiscal year. Seven business service centers were created in priority ecological regions, which in turn contributed to the adoption of improved managerial and technical procedures by local businesses in these areas. In collaboration with USDA's Animal Plant and Health Inspection Service (APHIS), USAID provided key support to the Ministry of Agriculture in development of a Pest Risk Assessment (PRA) for litchis. Completion of the PRA is a critical prerequisite for Madagascar to enter the lucrative US litchi market. USAID also completed an important gemstone sector assessment, the recommendations of which will greatly help simplify exploitation and export procedures, strengthen small miner capacity and efficiency, and enhance anti-corruption efforts in the sector.

PL480: Title II resources strengthen the overall impact of the USAID/Madagascar program. These resources support Mission Strategic Objectives in Health, Population and Nutrition as well as Environment and Rural Development. The Madagascar PL480 program has existed since 1962 and benefits thousands of people in the country each year. Approximately 40% of PL480 Title II resources are monetized, and the remainder distributed under Food for Work and Social Safety Net initiatives. Combined, monetization and distribution commodities improve the lives of Madagascar's poorest and most vulnerable communities through funding such activities as farm to market roads, strengthening disaster management capabilities in rural areas, improving infrastructure in poor areas and promoting household nutrition. During FY2005, approximately 560,000 people were reached by the USAID/Madagascar PL480 program, covering 14 of 22 regions of the country.

Gender: Gender considerations are fully integrated throughout the USAID/Madagascar activity portfolio. Specifically, USAID addresses gender by: increasing the participation of women in politics and civil society; promoting women's legal advocacy, and implementation of HIV/AIDS, family planning and reproductive health programs. USAID/Madagascar is a leading participant in the Malagasy National Gender Network (MGN) - a group of CSOs, private individuals, GOM and donor community representatives working to promote gender equity and better coordinate gender sector activities. During FY2005, USAID provided technical assistance for preparation of the MGN results framework, and drafting of the MGN Manual of Procedures. Madagascar is also a focus country under the USAID Women's Legal Rights Initiative, under which the country's first-ever survey on women's rights was conducted. The survey documented the perceptions and realities of Malagasy women, and identified obstacles to the full civic participation of women in Malagasy society. Mission health sector activities focus on increasing women's access to quality services and products, especially for maternal, child and reproductive health. Health sector evaluation and assessment data is disaggregated by gender to better analyze overall trends, and because women are most often the primary household caregiver in Madagascar, primary health messages are targeted to women and developed in accordance to the educational level of rural women and men in the country.

Presidential and Agency Initiatives: USAID/Madagascar responded to six Presidential and/or Agency initiatives in FY 2005 which included: 1) the Africa Anti-Corruption Initiative - where programs strengthen GOM anti-corruption and civil society organizations, 2) the Africa Education Initiative - where programs will train teachers through rural radio distance learning, 3) the Water for the Poor Initiative - where programs increase access to clean drinking water through watershed management and improved irrigation practices, 4) the Global Climate Change Initiative - where programs improve national park protection and management, 5) the Trafficking in Persons Initiative - where programs will strengthen public awareness about and controls against human trafficking, and 6) the Women's Legal Rights Initiative - where programs train women about their constitutional and civil rights under Malagasy law.

**FY 2006 Program****SO: 687-004 Governance in Targeted Areas Improved****Achieve Equitable Access to Quality Basic Education**

Achieve Equitable Access to Quality Basic Education: Under the Africa Education Initiative (AEI), the Mission will begin a program to improve the quality of primary school education. In FY 2006, activities will include the development of the first set of radio-based training programs for teachers and educational programs for parent associations. This year, the program will also begin providing technical assistance and training to pilot school districts to develop a computerized system for assessing teachers' capacities for the development of training curricula. The capacity of the Ministry of Education will be strengthened through close collaboration at the national, regional, and school district level.

**Promote And Support Anti-Corruption Reforms**

Promote And Support Anti-Corruption Reforms (\$400,000 DA): Through funding provided by the Africa Anti-corruption Initiative (ACI), USAID/Madagascar will continue to support the government's anti-corruption initiatives by providing financial and technical assistance to the government's leading anti-corruption institutions, including the National Anti-Corruption Council and the Independent Anti-Corruption Bureau, to scale up the government's investigative and enforcement capacity. Activities will include establishing a system of prioritizing investigation and prosecution efforts, and assisting anti-corruption efforts the environment sector. In collaboration with the Mission's environment program, the anti-corruption program will improve environmental governance in key areas that are heavily impacted by corruption. Environmental governance areas of focus will most likely include issues surrounding the government's logging permit systems and Madagascar's gemstone industry. The program will also continue to strengthen the capacity of the local chapter of Transparency International to promote transparency in public financial accountability at the communal level. Due to the closing down of SO4's Good Governance program in FY06, the Mission will open a new procurement for the implementation of the ACI program.

**Reduce Trafficking In Persons**

Reduce Trafficking in Persons: USAID/Madagascar will begin a Trafficking in Persons (TIP) program to improve the provision of prevention, protection, and reintegration services for TIP victims and at-risk individuals, and increase public awareness about TIP in Madagascar. The program, in collaboration with the State Department, will provide financial and technical support to existing centers in high-risk areas that provide a variety of social services to victims and at-risk persons. The program may begin interventions in new areas based on the results of the TIP assessment being conducted through the State Department. The program will work closely with the government's Anti-Trafficking Task Force and law enforcement agencies to increase their capacity to enforce anti-trafficking laws and prosecution efforts.

**Strengthen Civil Society**

Strengthen Civil Society (\$492,000 DA). Due to budget cuts in Democracy and Governance core funding, the Mission was forced to begin phasing out its Good Governance program that was initiated in FY04. SO4 DA funding will be used for the close-out process that will include transitioning a number of the program's successful activities into the Mission's Environment and Health programs. These activities include support to radio networks, establishment of multi-sectoral information services at the regional level, and capacity building of regional dialogue structures. Anti-corruption activities, funded through the Anti-corruption Initiative (ACI), will continue through a new procurement. The close-out process will be complete by September, 2006.

The Mission is anticipating that FY08 will be the last year for anti-corruption funding, and that all other

initiative activities, including education and trafficking in persons, will be ending the same year. One concern is that although the Mission's strategy statement was recently approved, USAID/Madagascar will be seriously undermined in implementing this strategy without any democracy and governance core funding. In addition, the current SO4 program is tied closely to Madagascar's efforts to adhere to MCA criteria of just governance, investments in people, and economic development. Without a continued commitment to democracy and governance activities in Madagascar, the country risks backsliding in the areas where USAID has made significant achievements, and not fulfilling the criteria for MCA eligibility.

#### **FY 2007 Program**

#### **SO: 687-004 Governance in Targeted Areas Improved**

##### **Achieve Equitable Access to Quality Basic Education**

Achieve Equitable Access to Quality Basic Education: In FY 2007, activities will provide training and radio-based programs to over 1,200 second grade teachers, and provide training and small grants to 25 parent associations in three provinces to increase their involvement in local primary school management. The program will provide technical assistance and training to at least three school districts to develop a computerized system for assessing teachers' capacities for the development of training curricula. The capacity of the Ministry of Education will be strengthened through close collaboration at the national, regional, and school district level.

##### **Promote And Support Anti-Corruption Reforms**

Promote And Support Anti-Corruption Reforms (\$400,000 DA): Through funding provided by the Africa Anti-corruption Initiative (ACI), USAID/Madagascar will continue to support the government's anti-corruption initiatives by providing financial and technical assistance to the government's leading anti-corruption institutions, including the National Anti-Corruption Council and the Independent Anti-Corruption Bureau, to scale up the government's investigative and enforcement capacity. Activities will include establishing a system of prioritizing investigation and prosecution efforts. In collaboration with the Mission's environment program, the anti-corruption program will continue to improve environmental governance in key areas that are heavily impacted by corruption. Environmental governance areas of focus may include improving the government's logging and mining permit systems, and issues surrounding the Madagascar's gemstone industry. The program will also continue to strengthen the capacity of the local chapter of Transparency International to promote transparency in public financial accountability at the communal level.

##### **Reduce Trafficking In Persons**

Reduce Trafficking in Persons: USAID/Madagascar will continue to improve the provision of prevention, protection, and reintegration services for TIP victims and at-risk individuals, and increase public awareness about TIP in Madagascar. The program, in collaboration with the State Department, will provide financial and technical support to existing centers in high-risk areas that provide a variety of social services to victims and at-risk persons. The program will provide legal counsel to victims and work closely with the government's Anti-Trafficking Task Force and law enforcement agencies to increase their capacity to enforce anti-trafficking laws and prosecution efforts.

#### **FY 2006 Program**

#### **SO: 687-005 Use of Selected Health Services and Products Increased and Practices Improved**

##### **Improve Access To Clean Water & Sanitation**

Improve Access to Clean Water and Sanitation (\$530,000 CSH). USAID is helping develop the government's hygiene improvement strategy. USAID is expanding access to potable water with simple, affordable solutions, promoting good hygiene and sanitation practices, and improving local water

management. Principal contractors and grantees: Chemonics, Population Service International (PSI) (primes), Hygiene Improvement Project, CARE, Catholic Relief Services (CRS), Medical Care Development International (MCDI) and Adventist Development Relief Agency (ADRA) (subs).

### **Improve Child Survival, Health & Nutrition**

Improve Child Survival, Health and Nutrition (\$2,757,000 CSH). USAID is providing technical assistance in the integrated management of childhood illnesses to the Ministry of Health and Family Planning at the central and service delivery levels. To further reduce child mortality, USAID is focusing efforts on vaccination coverage, expansion of essential nutrition actions, and prevention, early detection and treatment of childhood diseases. USAID is supporting training for over 3,000 medical professionals, the development of the national child health and nutrition guidelines, and improvements in commodity management and national surveillance systems. USAID efforts are engaging local leaders, linking communities with health care providers, and mobilizing communities. Principal contractors and grantees: Chemonics and PSI (primes), Linkages, MCDI, CARE, CRS, and ADRA (subs).

### **Prevent & Control Infectious Diseases Of Major Importance**

Prevent and Control Infectious Diseases (\$2,169,000 CSH). USAID provides technical assistance to the Ministry of Health in implementing the national malaria policy and supports: social marketing operations to address malaria prevention and treatment; indoor residual spraying; expanded mass media and rural outreach education; home-based care of uncomplicated malaria; and improved access to effective malaria treatment and insecticide-treated bed nets for children and pregnant women. Principal contractors and grantees: Chemonics and PSI (primes), CARE, CRS, ADRA, and MCDI (subs).

### **Reduce Transmission & Impact Of HIV/AIDS**

Reduce Transmission and Impact of HIV/AIDS (\$1,977,000 CSH). USAID ensures that the Malagasy people have appropriate knowledge of and access to high-quality services for prevention and care of sexually transmitted infections including HIV/AIDS. USAID emphasizes prevention including targeting interventions to high risk populations; reducing the prevalence of sexually transmitted infections through healthy behavior; improving availability and quality of services and products to treat sexually transmitted infections; expanding behavior change communication; enhancing public/private partnerships; and improving surveillance and data collection and use. Principal contractors and grantees: Chemonics (prime), PSI, HIV Alliance, Family Health International, Centers for Disease Control (CDC), and ADRA (subs).

### **Support Family Planning**

Support Family Planning (\$4,093,000 CSH; \$2,000,000 prior year CSH). USAID is increasing demand for and access to family planning services and products through social marketing, community-based distribution and community mobilization. USAID provides state of the art technical assistance, training, and software to strengthen the logistics and management system for reproductive health commodities. USAID is also improving the technical and management capacity of selected organizations in family planning and expanding the integrated health, population, and environment interventions in remote bio-diverse sites. Principal contractors and grantees: Chemonics and PSI (primes), CARE, ADRA, and MCDI (subs).

P.L. 480 Title II-funded activities are helping food insecure families maintain nutrition levels, increase food production and income, and improve maternal and child health.

### **FY 2007 Program**



## **SO: 687-005 Use of Selected Health Services and Products Increased and Practices Improved**

### **Improve Access To Clean Water & Sanitation**

Improve Access to Clean Water and Sanitation (\$530,000 CSH). USAID will provide leadership in behavior change, expand access to potable water, and continue improving health, hygiene, and sanitation interventions. Principal contractors and grantees: Same as FY 2006.

### **Improve Child Survival, Health & Nutrition**

Improve Child Survival, Health and Nutrition (\$2,945,000 CSH). USAID will support integrated management of childhood illnesses, immunization, promotion of nutrition and Vitamin A distribution, improvements in the delivery of quality health services, and maternal health interventions. Principal contractors and grantees: Same as FY 2006.

### **Prevent & Control Infectious Diseases Of Major Importance**

Prevent and Control Infectious Diseases (\$2,500,000 CSH). USAID will continue commodity support, indoor residual spraying, community mobilization and education activities in malaria treatment and prevention to assure effective treatment and prevention for pregnant women and children. Principal contractors and grantees: Same as FY 2006.

### **Reduce Transmission & Impact Of HIV/AIDS**

Reduce Transmission and Impact of HIV/AIDS (\$1,980,000 CSH). USAID will continue to target innovative behavior change interventions, address access to products and services and continue to provide leadership in developing data for decision making. Principal contractors and grantees: Same as FY 2006.

### **Support Family Planning**

Support Family Planning (\$3,524,000 CSH). USAID will continue activities to strengthen commodity distribution systems and community-based distribution, and will maintain community outreach and social marketing activities. P.L. 480 Title II-funded activities will continue to improve maternal and child health, nutrition and food security. Principal contractors and grantees: Same as FY 2006.

All family planning assistance agreements will incorporate clauses that implement the President's directive restoring the Mexico City Policy.

## **FY 2006 Program**

## **SO: 687-006 Biologically Diverse Forest Ecosystems Conserved**

### **Improve Sustainable Management Of Natural Resources & Biodiversity**

Improve Sustainable Management of Natural Resources and Biodiversity (\$4,091,000 DA). USAID is working toward improved protected area management by continuing to fund activities to implement President Ravalomanana's pledge to triple the country's protected area network. This process includes creating new protected areas and developing and improving protected area management systems. USAID continues to provide support to this process by ensuring a legal framework for new protected areas is established by strengthening the institutional, technical and financial capacity of protected area managers; implementing the Malagasy environmental trust funds; and developing new mechanisms for sustainable financing of protected areas. These efforts will result in an additional 1,000,000 hectares of

new protected areas in FY 2006. In addition, USAID is supporting forest management reform through the creation and implementation of a plan to manage production forests for wood supply, and the design and implementation of a new forest control system in accordance with the recommendations provided by the U.S. Department of Agriculture's Forest Service. USAID also is continuing to support efforts to finalize forest zoning at the national and regional levels. Principal contractors and grantees: Conservation International and International Resources Group (primes), World Wildlife Fund (WWF) and Wildlife Conservation Society (subs).

### **Protect and Increase the Assets and Livelihoods of the Poor**

Protect and Increase the Assets and Livelihoods of the Poor (\$3,500,000 DA). USAID links forest conservation and improved livelihoods by: improving agricultural production through a farming systems approach; promoting community based natural resources management; and ensuring farmer-to-market linkages. Outside protected areas, USAID is promoting alternatives to slash-and-burn agriculture by training farmer-to-farmer extension agents in natural resource management and agricultural development, with an emphasis on the adoption of small-scale, integrated farming systems. USAID is also continuing to reinforce the pioneering "Green Commune" approach, which certifies communities who cease burning and engage in reforestation efforts. USAID continues to support farmers to become good stewards of the environment and to produce agricultural products for market to increase their incomes. USAID is also strengthening farmers' ability to organize and sign contracts with the government to manage community forests. In addition, USAID is helping link farmers to the private sector to increase farmers' ability to sell natural products and extract benefit from the sustainable management of natural resources. A market-based strategy to strengthen ecologically and economically sustainable forest and natural product enterprises through technical and financial assistance to 20 eco-enterprises and small businesses is being coupled with assistance to increase and improve ecotourism. Principal contractors and grantees: Chemonics, Development Alternatives Inc. and Wildlife Conservation Society (primes).

### **Support Democratic Local Government & Decentralization**

Support Democratic Local Government and Decentralization (\$500,000 DA). USAID's joint environmental and governance activities help government units increase access to information about natural resource management and ensure that a vibrant civil society exists to advocate for environmental issues. USAID is working to ensure that regional and communal development plans are implemented, and that rural radio networks are independent and sustainable. In addition, improvements to forest-sector governance continue to be made through a transparent permit bidding system and improvements to information systems. Finally, USAID is working with the Government of Madagascar's (GOM) National Office of the Environment to ensure environmental impact assessments are submitted and reviewed, and that on-going investments are monitored regarding mitigation of environmental impacts. Principal contractors and grantees: PACT, International Resources Group (primes), Catholic Relief Services, and GOM's National Office of the Environment (subs).

### **FY 2007 Program**

#### **SO: 687-006 Biologically Diverse Forest Ecosystems Conserved**

### **Improve Sustainable Management Of Natural Resources & Biodiversity**

Improve Sustainable Management of Natural Resources & Biodiversity (\$3,929,000 DA). Efforts will be pursued to triple protected areas with the formal establishment of an additional one million hectares. New models for protecting critical biodiversity outside of the national park system and that involve local communities and private sector operators will be put into place, and additional funding mechanisms will be explored for protected area management. Support will be reinforced for a revitalized forest authority and forest management systems. Forest industry activities will also be increased to promote reforestation and ecological restoration zones. Principal contractors and grantees: Same as FY 2006.

### **Protect and Increase the Assets and Livelihoods of the Poor**

Protect and Increase the Assets and Livelihoods of the Poor (\$3,300,000 DA). To better conserve biodiversity, USAID will expand its work with farmer organizations to promote business relations between producer associations and eco-enterprises to access domestic and international markets for agricultural and natural products. The partnership agreement between managers of protected areas and private sector operators will be expanded to enhance ecotourism products and services. USAID will continue to support communities that reduce destructive farming methods, and will increase the number of communities assisted. Principal contractors and grantees: Same as FY 2006.

### **Support Democratic Local Government & Decentralization**

Support Democratic Local Government and Decentralization (\$500,000 DA). USAID plans to continue its crosscutting environmental governance program by helping the government, civil society organizations (CSOs), and the private sector gain access to information to promote better environmental decision making, and bring communication access to towns bordering the country's remaining primary forest. USAID also plans to continue providing assistance to CSOs to improve their ability to serve as environmental advocates. Finally, USAID will continue to support the forest service in its efforts to improve governance. Principal contractors and grantees: Same as FY 2006.

#### **FY 2006 Program**

**SO: 687-007 Critical Private Markets Expanded and Strengthened**

**Improve Economic Policy and the Business Environment**

**Improve Private Sector Competitiveness**

**Strengthen The Financial Services Sector & Increase Access to Capital**

#### **FY 2007 Program**

**SO: 687-007 Critical Private Markets Expanded and Strengthened**

**Improve Economic Policy and the Business Environment**

**Improve Private Sector Competitiveness**

**Strengthen The Financial Services Sector & Increase Access to Capital**

## **Results Framework**

### **687-004 Governance in Targeted Areas Improved**

**Program Title: Governance in Targeted Areas Improved**

- 4.1: Deeper and Stronger Civil Society
- 4.2: Information Flow Increased
- 4.3: Government Responsiveness Increased

### **687-005 Use of Selected Health Services and Products Increased and Practices Improved**

**Program Title: Selected Health Services and Products**

- 5.1: Demand for Selected Health Services and Products Increased
- 5.2: Availability of Selected Health Services and Products Increased
- 5.3: Quality of Selected Health Services Improved
- 5.4: Institutional Capacity to Implement and Evaluate Health Programs Improved

### **687-006 Biologically Diverse Forest Ecosystems Conserved**

**Program Title: Biologically Diverse Forest Ecosystems Conserved**

- 6.1: Forest Management System Improved
- 6.2: Biological Integrity of Critical Biodiversity Habitats Maintained
- 6.3: Alternatives Adopted to Reduce Slash and Burn Practices
- 6.4: Investment Initiatives and Partnerships in Natural Resource Management Increased
- 6.5: Environmental Governance Improved

### **687-007 Critical Private Markets Expanded and Strengthened**

**Program Title: Critical Private Markets Expanded**

- 7.0: Agricultural Production and Practices Improved
- 7.1: Efficiency of Ag and non-Ag Enterprises Increased
- 7.2: Access to Markets Improved
- 7.3: Enabling Environment Improved

**Discussion:** Due to budget constraints, SO7 does not have funding to implement activities in support of the Intermediate Result: “agricultural production and practices improved”. USAID interventions are limited to downstream activities in selected value-chains. SO7 will rely on partners’ interventions, including SO6 and Title II, to ensure that we meet our targets and that all necessary components to increasing exports and income are incorporated in the strategy.

### **687-008 Support to the Millenium Challenge Corporation Program in Madagascar**

**Program Title: Support to MCC**